

**INFORMATIONAL LETTER NO. 2067-MC-FFS****DATE:** November 22, 2019**TO:** Iowa Medicaid Hospice Providers**APPLIES TO:** Managed Care (MC), Fee-for-Service (FFS)**FROM:** Iowa Department of Human Services (DHS), Iowa  
Medicaid Enterprise (IME)**RE:** Two-Tiered Hospice Payment and Service Intensity  
Add-on (SIA)**EFFECTIVE:** October 1, 2019**\*\*\*\*This information letter replaces IL 2046-MC-FFS and IL 1952-MC-FFS\*\*\*\***

Pursuant to Iowa Administrative Code 441 IAC 79.1(14), Medicaid hospice rates are based on the methodology used in setting Medicare rates for the categories of care provided with application of an appropriate area wage adjustment.

A letter from the Centers for Medicare and Medicaid Services (CMS) dated August 13, 2019, updated the rates for the two-tiered hospice payment system and SIA.

Below is clarification on the SIA payment.

Effective for hospice services with dates of service on or after October 1, 2017, a hospice day billed at the Routine Hospice Care (RHC) level of care will be paid one of two RHC rates based on the following:

1. The day is billed as a RHC level of care.
2. If the day occurs during the first 60 days, the RHC rate will be equal to the RHC "High" rate.
3. If the day occurs during days 61 or later, the RHC rate will be equal to the RHC "Low" rate.
4. For a hospice member who is discharged and readmitted to hospice within 60 days of that discharge, their prior hospice days will continue to follow the member in determining the "High" or "Low" rate.
5. For a hospice member who has been discharged from hospice care for more than 60 days, a new period of hospice will apply and be paid at the "High" rate.

These rates are calculated on the annual hospice rates established under Medicare. Rates for hospice physicians are not increased under this provision.

Effective for hospice service with dates of service on or after October 1, 2019, a hospice claim will be eligible for a SIA payment if the following criteria are met:

1. The day is billed as a RHC level of care day; the day occurs during the last seven days of life and the member is discharged as deceased; (field 17 on the UB-04 claim form).
  - 40 Expired at home
  - 41 Expired in a medical facility
  - 42 Expired place unknown
2. Direct member care is provided by a Registered Nurse (RN) or social worker that day for at least 15 minutes and up to four hours total.
3. The service is not provided by a social worker via telephone.

The billing codes to use for the SIA are G0299 for the RN and G0155 for the social worker. Also include revenue codes 651 and 551.

See attachments for the rates effective October 1, 2019.

If you have questions, please contact the IME Provider Services Unit at 1-800-338-7909 or email at [imeproviderservices@dhs.state.ia.us](mailto:imeproviderservices@dhs.state.ia.us).